

Enrolled
Senate Bill 5701

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending section 39, chapter 671, Oregon Laws 2019, and sections 1, 2, 4, 7, 8 and 10, chapter 658, Oregon Laws 2021; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 1, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of the state during the 2021-2023 biennium are as follows:

GENERAL OBLIGATION BONDS

General Fund Obligations

- (1) Higher Education Coordinating Commission (Art. XI-G):
 - (a) Eastern Oregon University, Inlow Hall Renovation, Phase II \$ 600,000
 - (b) Oregon State University:
 - (A) Cascades Student Success Center..... \$ 5,105,000
 - (B) Cordley Hall Renovation, Phase II \$ 25,375,000
 - (c) Portland State University, Gateway Center Reuse and Extension \$ 5,105,000
 - (d) University of Oregon, [*Heritage Building Renovation*]
Heritage Buildings Renovation (University and Villard Halls)..... \$ 5,960,000
 - (e) Western Oregon University, Student Success Center \$ 695,000
 - (f) Blue Mountain Community College, Facility for Agricultural Resource Management \$ 6,615,000

(g)	Central Oregon Community College, Classroom Building Redmond Campus	\$	8,125,000
(h)	Chemeketa Community College, Building 7 Remodel	\$	8,125,000
(i)	Clatsop Community College, Maritime Science Building	\$	8,120,000
(j)	Klamath Community College, Childcare Resource Learning Center	\$	1,540,000
(k)	Linn-Benton Community College, Agricultural Center	\$	8,125,000
(L)	Mt. Hood Community College, Accessibility Upgrades, Dental Hygiene Lab and Deferred Maintenance	\$	8,125,000
(m)	Oregon Coast Community College, Workforce Education and Resiliency Center	\$	8,125,000
(n)	Rogue Community College, Transportation Technology Center	\$	7,120,000
(o)	Tillamook Bay Community College, Classroom and Office Building and Renovations	\$	8,125,000
(p)	Treasure Valley Community College, Nursing-Allied Health Professions Center	\$	5,015,000
(2)	Department of Environmental Quality (Art. XI-H).....	\$	10,300,000
(3)	Oregon Business Development Department (Art. XI-M)	\$	111,300,000
(4)	Oregon Business Development Department (Art. XI-N).....	\$	50,750,000
(5)	Department of Education (Art. XI-P)	\$	126,090,000
(6)	Oregon Department of Administrative Services (Art. XI-Q):		
(a)	Department of Revenue, Electronic Valuation [Information System	\$	4,245,000]
	Information System.....	\$	3,810,000
(b)	Oregon Military Department:		
(A)	Ashland Armory Service Life Extension.....	\$	5,480,000
(B)	Corvallis Armory Service Life Extension.....	\$	4,375,000
(C)	Resiliency Grant Fund established under [ORS 401.552.....	\$	10,210,000]

	ORS 401.552.....	\$	5,105,000
(D)	Washington County Readiness Center.....	\$	5,410,000
(c)	Oregon State Police:		
(A)	Central Point Office Expansion.....	\$	34,435,000
(B)	Springfield Forensic Lab and Medical Examiner's Office.....	\$	62,710,000
(C)	Springfield Patrol Area Command Office	\$	14,490,000
(d)	Department of Corrections:		
(A)	Capital Improvement and Renewal	\$	70,745,000
(B)	Electronic Health Records.....	\$	13,635,000
(C)	Off-Net Telephone Infrastructure	\$	3,825,000
(e)	Oregon Youth Authority:		
(A)	Camp Riverbend Dorm Renovation	\$	6,975,000
(B)	Capital Improvements	\$	11,060,000
(C)	Control Room Renovations	\$	1,300,000
(D)	JJIS IT System Modernization	\$	7,870,000
(E)	MacLaren Infirmary and Pharmacy Renovation	\$	1,720,000
(F)	MacLaren West Cottages Renovations	\$	20,795,000
(G)	Oak Creek Medical and Dental Clinic Renovations	\$	710,000
(H)	Rogue Valley Facility Improvements	\$	7,110,000
(I)	Tillamook Dorm Renovation.....	\$	10,495,000
(J)	Tillamook Medical and Dental Renovations	\$	690,000
(f)	Oregon Health Authority:		
(A)	OSH Salem Well Water Treatment Facility	\$	4,555,000
(B)	OSH Salem/Junction City Automated Dispensing Cabinets.....	\$	3,555,000
(g)	Higher Education Coordinating Commission:		
(A)	Public Universities Capital [Improvement and Renewal	\$	80,810,000]
	Improvement and Renewal ...	\$	110,995,000
(B)	Eastern Oregon University, Inlow Hall Renovation, Phase II	\$	17,920,000
(C)	Oregon Institute of Technology, OMIC R&D Center for Additive Manufacturing Innovation, Phase II.....	\$	5,105,000

(D)	Oregon State University:		
(i)	Cascades Student Success Center	\$	8,930,000
(ii)	Cordley Hall Renovation, Phase II	\$	61,690,000
(E)	Portland State University, Gateway Center Reuse and Extension	\$	45,585,000
(F)	University of Oregon, [Heritage Building Renovation] Heritage Buildings Renovation (University and Villard Halls)	\$	53,285,000
(G)	Western Oregon University, Student Success Center	\$	20,920,000
(H)	FAMIS System Replacement	\$	5,105,000
(h)	Department of Education:		
(A)	Oregon School for the Deaf ADA Restrooms	\$	1,065,000
(B)	Oregon School for the Deaf Fire Alarm System Replacement	\$	3,145,000
(C)	Oregon School for the Deaf Windows Upgrade	\$	1,425,000
(i)	State Forestry Department:		
(A)	Capital Improvements	\$	2,464,209
(B)	Toledo Facility Replacement Phase II	\$	1,136,227
(j)	State Parks and Recreation Department, Capital Improvement and Renewal.....	\$	50,750,000
(k)	Oregon Department of Fish and Wildlife, Capital Improvement and Renewal.....	\$	5,105,000
(L)	Housing and Community Services Department, Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing.....	\$	413,490,000
(m)	Judicial Department:		
(A)	Benton County Courthouse.....	\$	20,730,000
(B)	Clackamas County Courthouse.....	\$	95,400,000
(C)	[Crook County Courthouse.....	\$	11,885,000]
	Crook County Courthouse.....	\$	16,330,000
(D)	Linn County Courthouse	\$	16,110,000
(E)	Supreme Court Building Renovation	\$	21,950,000
(n)	Legislative Administration Committee[,]:		

(A)	Document Publishing and Management System.....	\$	4,310,000
(B)	Capitol Accessibility, Maintenance, and Safety Phase III.....	\$	19,865,000
(o)	Oregon Department of Emergency Management, Resiliency Grant Fund established under ORS 401.552.....	\$	5,105,000
<u>Dedicated Fund Obligations</u>			
(7)	Department of Veterans' Affairs (Art. XI-A).....	\$	180,000,000
(8)	Department of Environmental Quality (Art. XI-H).....	\$	10,000,000
(9)	Housing and Community Services Department (Art. XI-I(2)).....	\$	50,000,000
(10)	Higher Education Coordinating Commission (Art. XI-F(1):		
(a)	Oregon Institute of Technology, New Residence Hall Facility	\$	55,650,000
(b)	Oregon State University, Reser Stadium West Grandstands.....	\$	40,555,000
(c)	Portland State University, Gateway Center Reuse and Extension	\$	18,300,000
(11)	Oregon Department of Administrative Services (Art. XI-Q):		
(a)	Executive Building Interior and Seismic Renovation.....	\$	45,620,000
(b)	Justice Building Exterior Renovations	\$	3,555,000
(c)	North Valley Complex Infrastructure Upgrades/ [Tenant Improvements.....	\$	60,820,000]
	Tenant Improvements.....	\$	74,015,000
(d)	Portland State Office Building Improvements	\$	8,730,000
(e)	Revenue Building Electrical System Upgrades.....	\$	7,120,000
(f)	Yellow Parking Lot Paving	\$	4,055,000
(g)	State Forestry Department:		
(A)	Capital Improvements	\$	2,420,791
(B)	Toledo Facility Replacement, Phase II	\$	1,578,773
(h)	Oregon Liquor and Cannabis Commission:		
(A)	Liquor Warehouse Conveyor		

[System.....	\$	10,175,000]
System	\$	15,205,000
(B) Liquor Warehouse Land		
[and Building	\$	53,170,000]
and Building.....	\$	131,880,000
(C) Liquor Warehouse		
[Management IT System.....	\$	27,390,000]
Management IT System.....	\$	27,360,000
(i) Department of Justice,		
Legal Tools Replacement		
Project 3.0.....	\$	5,105,000
<u>Total General Obligation</u>		
[Bonds.....	\$	2,252,290,200]
Bonds	\$	2,408,360,000

SECTION 2. Section 2, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 2. The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds of the state during the 2021-2023 biennium are as follows:

REVENUE BONDS

Direct Revenue Bonds

Housing and Community Services Department	\$	500,000,000
Department of Transportation	\$	880,000,000
Oregon Business Development Department.....	\$	30,000,000
Oregon Department of Administrative Services, [Lottery Revenue Bonds	\$	492,440,000]
Lottery Revenue Bonds	\$	515,510,000
<u>Total Direct Revenue</u>		
[Bonds.....	\$	1,902,440,000]
Bonds	\$	1,925,510,000

Pass-Through Revenue Bonds

Oregon Business Development Department, Industrial Development Bonds	\$	600,000,000
Oregon Business Development Department, Beginning and Expanding Farmer Loan Program.....	\$	2,500,000
Oregon Facilities Authority	\$	1,000,000,000
Housing and Community Services Department	\$	1,300,000,000
<u>Total Pass-Through Revenue</u>		
Bonds	\$	2,902,500,000
[Total Revenue Bonds.....	\$	4,804,940,000]
Total Revenue Bonds	\$	4,828,010,000

SECTION 3. Section 4, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 4. (1) For calendar year 2022, the amount of [~~\$442,862,385~~] **\$467,077,050** is allocated for private activity bonds, as provided in ORS 286A.615, as follows:

- (a) Oregon Business Development

Department, Industrial Development Bonds	\$	40,000,000
(b) Oregon Business Development Department, Beginning and Expanding Farmer Loan Program	\$	1,000,000
(c) Housing and Community Services Department	\$	250,000,000
(d) Private Activity Bond [Committee.....]	\$	151,862,385]
Committee.....	\$	176,077,050

(2) For calendar year 2023, the amount of [\$442,862,385] **\$467,077,050** is allocated for private activity bonds, as provided in ORS 286A.615, as follows:

(a) Oregon Business Development Department, Industrial Development Bonds	\$	40,000,000
(b) Oregon Business Development Department, Beginning and Expanding Farmer Loan Program	\$	1,000,000
(c) Housing and Community Services Department	\$	250,000,000
(d) Private Activity Bond [Committee.....]	\$	151,862,385]
Committee.....	\$	176,077,050

(3) If an increase in this state's population, a sufficient increase in the Consumer Price Index or a change in federal law allows the private activity bond limit as set by the Internal Revenue Code of 1986, as amended, to exceed [\$442,862,385] **\$467,077,050** during the 2022 calendar year or [\$442,862,385] **\$467,077,050** during the 2023 calendar year, the increase is allocated to the Private Activity Bond Committee.

SECTION 4. Section 7, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 7. (1) Out of the amount specified in section 1 (6)(m)(A) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$20,383,129 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(2) Out of the amount specified in section 1 (6)(m)(B) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$94,500,000 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(3) Out of the amount specified in section 1 (6)(m)(C) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed [\$11,700,000] **\$16,116,705** of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(4) Out of the amount specified in section 1 (6)(m)(D) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$15,900,000 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(5) For purposes of sections 8 and 9, chapter 705, Oregon Laws 2013, and section 64, chapter 723, Oregon Laws 2013, bonds issued pursuant to this section are considered to be bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013.

(6) Bonds may not be issued pursuant to section 1 (6)(m)(A), (B), (C) or (D) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, except as provided in this section.

SECTION 5. Section 8, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 8. (1) From the net proceeds of bonds issued under section 1 (6)(b)(C) [of this 2021 Act], **chapter 658, Oregon Laws 2021**, the Office of Emergency Management may expend a maximum of [\$2,000,000] **\$1,000,000** for urban search and rescue preparedness equipment.

(2) From the net proceeds of bonds issued under section 1 (6)(o), chapter 658, Oregon Laws 2021, the Oregon Department of Emergency Management may expend a maximum of \$1,000,000 for urban search and rescue preparedness equipment.

SECTION 6. Section 10, chapter 658, Oregon Laws 2021, is amended to read:

Sec. 10. (1) A public university that is carrying out a qualified project shall require each contractor in a contract with an estimated cost of \$200,000 or greater to:

(a) Employ apprentices to perform 15 percent of the work hours that workers in apprenticeable occupations perform under the contract, in a manner consistent with the apprentices' respective apprenticeship training programs;

(b) Establish and execute a plan for outreach, recruitment and retention of women, minority individuals and veterans to perform work under the contract, with the aspirational target of having at least 15 percent of total work hours performed by individuals in one or more of those groups;

(c) Provide health insurance and retirement benefits to workers; and

(d) Require any subcontractor engaged by the contractor to abide by the requirements set forth in paragraphs (a), (b) and (c) of this subsection, if the work to be performed under the subcontract has an estimated cost of \$200,000 or greater.

(2) On or before February 1 of each year, each public university that is carrying out a qualified project shall report to the Joint Committee on Ways and Means or Joint Interim Committee on Ways and Means, as part of the report required under ORS 350.379, on:

(a) The amount of work performed on qualified projects by apprentices;

(b) The amount of work performed on qualified projects by women, minority individuals and veterans; and

(c) The types and costs of health insurance and retirement benefits provided to workers by contractors and subcontractors.

(3) The requirements of this section are in addition to, and not in lieu of, the requirements imposed under ORS 350.379.

(4) As used in this section:

(a) "Apprentice" has the meaning given that term in ORS 660.010.

(b) "Apprenticeable occupation" has the meaning given that term in ORS 660.010.

(c) "Apprenticeship training program" means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee's registered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and training apprentices in an apprenticeable occupation.

(d) "Minority individual" has the meaning given that term in ORS 200.005.

(e) "Qualified project" means the following capital construction projects:

(A) The Eastern Oregon University Inlow Hall Renovation, Phase II referenced in section 1 (1)(a) [of this 2021 Act], **chapter 658, Oregon Laws 2021**;

(B) The Oregon State University Cascades Student Success Center referenced in section 1 (1)(b)(A) [of this 2021 Act], **chapter 658, Oregon Laws 2021**;

(C) The Oregon State University Cordley Hall Renovation, Phase II referenced in section 1 (1)(b)(B) [of this 2021 Act], **chapter 658, Oregon Laws 2021**;

(D) The Portland State University Gateway Center Reuse and Extension referenced in section 1 (1)(c) [of this 2021 Act], **chapter 658, Oregon Laws 2021**;

(E) The University of Oregon Heritage [*Building*] **Buildings Renovation (University and Villard Halls)** referenced in section 1 (1)(d) [*of this 2021 Act*], **chapter 658, Oregon Laws 2021**; and

(F) The Western Oregon University Student Success Center referenced in section 1 (1)(e) [*of this 2021 Act*], **chapter 658, Oregon Laws 2021**.

(f) “Veteran” has the meaning given that term in ORS 408.225.

(g) “Woman” has the meaning given that term in ORS 200.005.

SECTION 7. Section 39, chapter 671, Oregon Laws 2019, as amended by section 18, chapter 682, Oregon Laws 2021, is amended to read:

Sec. 39. (1) For the biennium beginning July 1, 2021, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Veterans’ Affairs, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$6 million in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the Department of Veterans’ Affairs for deposit in the Veterans’ Affordable Housing Fund, established in section 40, chapter 671, Oregon Laws 2019, for distribution to Salem Y Veterans Housing to construct veterans’ affordable housing in Salem, **which may include the acquisition of land for veterans’ affordable housing**.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the following findings:

(a) Having housing for at-risk populations is essential to Oregon’s healthy economic growth.

(b) A severe shortage of affordable housing exists in Oregon, and market indicators demonstrate a growing gap between the supply of and the demand for affordable housing.

SECTION 8. (1) For the biennium ending June 30, 2023, at the request of the Oregon Department of Administrative Services, after the department consults with the McKenzie River Discovery Center, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3 million in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to the McKenzie River Discovery Center to construct a central exhibition structure and undertake site improvements at the site of the Historic Old Leaburg Fish Hatchery.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that the central exhibition structure and site improvements will enhance the economic viability of the region through increased tourism, job creation and improved quality of life for the community.

SECTION 9. (1) For the biennium ending June 30, 2023, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Portland Parks and Recreation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$15 million in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to the City of Portland Parks and Recreation for the construction of a new aquatic center in North Portland.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that improving access to recreation services will enhance the economic viability of the region, create jobs and improve the quality of life for the community.

SECTION 10. (1) For the biennium ending June 30, 2023, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Milton-Freewater, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3 million in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to City of Milton-Freewater for construction of the Police and Dispatch Station to relocate the current station from the basement of City Hall.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that emergency services are necessary components of a climate that facilitates and encourages economic development.

SECTION 11. This 2022 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect on its passage.

Passed by Senate March 3, 2022

.....
Lori L. Brocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House March 4, 2022

.....
Dan Rayfield, Speaker of House

Received by Governor:

.....M.,....., 2022

Approved:

.....M.,....., 2022

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2022

.....
Shemia Fagan, Secretary of State